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US Department of Energy

FEB 28 2012

February 28, 2012

US Department of Energy

**Electricity Delivery and
Energy Reliability**

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Energy Reliability**

Mr. Christopher Lawrence
Electric Industry Specialist
U.S. Department of Energy
Office of Electricity Delivery and Energy Reliability
OE-20, Room 8G-024
1000 Independence Avenue, SW
Washington, DC 20585-0350

Re: AEP Energy Partners, Inc., OE Docket No. EA-318-B

Dear Mr. Lawrence:

Pleased be advised that AEP Energy Partners, Inc. ("AEP Energy Partners") currently provides full requirements service to the city of El Mulato, Mexico pursuant to a contract between Comisión Federal de Electricidad ("CFE") and AEP Energy Partners. El Mulato is a small town with a peak load of approximately 0.15 MW immediately south of the U.S.-Mexico border and across the Rio Grande River from the small town of Redford, Texas.

Agreements to supply El Mulato have been in place since 1971 (Federal Power Commission Docket No. E-7651), initially between CFE and West Texas Utilities Company ("WTU") (now known as AEP Texas North Company) and, since 2007, between CFE and AEP Energy Partners. WTU and CFE initially entered the contract because CFE had no facilities to bring power and energy from Mexico into the area and, therefore, was unable to provide service to the El Mulato load other than by the import of energy from Texas over the cross-border 7.2 kV line from Redford to Ojinaga, Mexico that CFE owns and operates (Presidential Permit 51, issued October 15, 1971). That remains the case today. CFE has no options for serving the El Mulato load other than the import of power and energy from Texas. AEP Energy Partners supplies power and energy to CFE through electric facilities (the "Delivery Point") in Redford. As El Mulato is in Mexico, AEP Energy Partners has reported this transaction as an export.

On February 22, 2012, the Department of Energy ("DOE") issued an Emergency Temporary Export Authority ("Temporary Authority") to AEP Energy Partners. Upon receiving the Temporary Authority, AEP Energy Partners confirmed with representatives of CFE that disruption of the service to El Mulato would precipitate an emergency. Accordingly, AEP Energy Partners believes that the service to CFE and El Mulato is within the parameters of the Temporary Authority. Such authority extends to "emergency power to Mexico" until such time

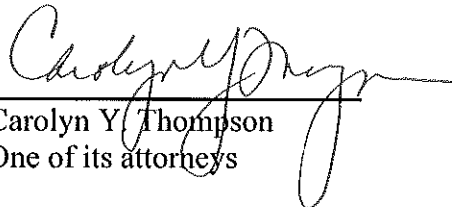
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as DOE "completes its review of the application in the current renewal docket. . . and issues a final decision."

Should DOE disagree with this interpretation, AEP Energy Partners respectfully requests that, for good cause shown, DOE modify the February 22, 2012 Temporary Authority to permit the continuation of this long-standing arrangement with CFE in order to assure electric service to El Mulato until DOE can complete its review and issue an order on the merits with respect to AEP Energy Partners' renewal application in this docket.

Respectfully submitted,

AEP Energy Partners, Inc.

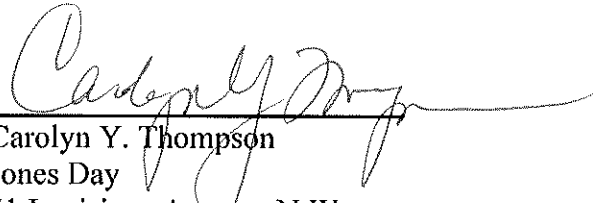
By: 
Carolyn Y. Thompson
One of its attorneys

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document by electronic mail, hand delivery, or U.S. Mail on the following parties:

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